



BILLING CODE: 4410-09-P

**JUSTICE DEPARTMENT
Drug Enforcement Administration**

**MARTIN L. KORN, M.D.
DECISION AND ORDER**

On August 23, 2013, I, the Deputy Administrator of the Drug Enforcement Administration, issued an Order to Show Cause and Immediate Suspension of Registration (hereinafter, OTSC/ISO or Order) to Martin L. Korn, M.D. (hereinafter, Registrant). GX 1, at 1. The OTSC/ISO proposed the revocation of Registrant's DEA Certificate of Registration, pursuant to which he was authorized to dispense controlled substances as a practitioner, based on allegations that on "[o]n twelve separate occasions" between February 20 and June 24, 2013, Registrant prescribed controlled substances including alprazolam (schedule IV) and Adderall (schedule II), "to three law enforcement officers working in an undercover capacity . . . without a legitimate medical purpose and/or outside the usual course of professional practice." *Id.* at 1-2 (citing 21 CFR 1306.04(a)). Based on the above, I further concluded that Registrant's "continued registration while these proceedings [were] pending constitutes an imminent danger to the public health and safety" and ordered that his registration be immediately suspended. *Id.* at 3 (citing 21 U.S.C. § 824(d)). The OTSC/ISO also notified Registrant of his right to request a hearing on the allegations or to submit a written statement in lieu of a hearing, the procedures for electing either option, and the consequence of failing to elect either option. *Id.* at 3-4 (citing 21 CFR 1301.43).

On September 5, 2013, a DEA Special Agent served Registrant with the OTSC/ISO at the Westchester County District Attorney's Office. GX 2. According to the Government, Registrant has not requested a hearing on the allegations nor otherwise responded to the OTSC. Request for

Final Agency Action, at 1. Based on the Government's representation, I find that more than thirty (30) days have now passed since the OTSC/ISO was served on Registrant and that he has neither requested a hearing nor submitted a written statement in lieu of a hearing. I therefore find that Registrant has waived his right to a hearing or to submit a written statement in lieu of a hearing. 21 CFR 1301.43(d). I make the following findings.

Registrant previously held a DEA Certificate of Registration, pursuant to which he was authorized to dispense controlled substances as a practitioner at registered premises located in Larchmont, New York. On December 31, 2013, this registration expired. GX 3, at 1. According to the Agency's registration records, Registrant has not filed a renewal application.

Pursuant to the authority granted by 21 U.S.C. § 824(f), DEA seized approximately 300 dosage units of various controlled substances which apparently were in prescription vials, some of which bore the names of patients. GX A, at 2. The drugs included two vials containing 144 and 19 dosage units of lorazepam .5mg bearing labels listing the patients as A.K. and C.A. respectively; a vial containing 16 tablets of phentermine 37.5mg bearing a label listing the patient as J.L.; a vial containing 80 tablets of oxazepam, its label having been ripped off; a vial containing 13 tablets of temazepam 15mg bearing a label listing the patient as K.M.; a vial containing 10.5 tablets of hydrocodone 10/325 bearing a label listing the patient as A.K.; and vials containing 11 tablets of Lyrica 50mg and 6 tablets of Lyrica 25mg, neither of which had a patient name. *Id.*

On April 10, 2014, DEA's New York Field Division wrote to Registrant noting that following the expiration of his DEA registration, he no longer had authority to handle controlled substances. *Id.* at 1. The letter further informed him that under federal law, the Agency was authorized to dispose of the drugs 180 days after the date on which they had been seized. *Id.*

However, the letter instructed Registrant that “[i]n the event you wish to transfer title to the controlled substances to a registered successor in interest, you may notify this office within thirty (30) days from the date of this letter to make arrangements for such a transfer. . . . However, if you fail to notify the office within thirty days, DEA will dispose of . . . the controlled . . . substances it currently holds.” *Id.* According to the Government, Registrant did not respond to the letter. *See Gov. Suggestion of Mootness*, at 1.

DISCUSSION

While the Government initially filed a Request for Final Agency Action, it now suggests that this case is moot because Registrant has allowed his registration to expire and “there is no need to determine title to the controlled substances that were seized.” *Id.* at 2. I agree.

Ordinarily, where a registrant allows his registration to expire and also fails to file a renewal application, there is neither a registration to revoke nor an application to act upon, thus rendering the case moot. *See, e.g., Ronald J. Riegel*, 63 FR 67132 (1998). DEA, however, has recognized a limited exception to this rule in cases which commence with the issuance of an immediate suspension order because of the collateral consequences which may attach with the issuance of such a suspension. *See William R. Lockridge*, 71 FR 77791, 77797 (2006). Such “collateral consequences” may include the loss of title to any controlled substances that have been seized pursuant to the immediate suspension order, *see* 21 U.S.C. § 824(f), harm to reputation, and having to report the suspension on future applications to either this Agency or a state board. *See Lockridge*, 71 FR at 77797.

While this case commenced with the issuance of an immediate suspension order, I nonetheless conclude it is now moot. Here, while various controlled substances were seized, the Government subsequently provided registrant with the opportunity to transfer the controlled

substances to a registered successor in interest. *See* 21 U.S.C. § 824(g). Thus, to the extent the controlled substances had any market value – which appears highly unlikely anyway given that they were in prescription vials and not sealed commercial containers – the Government disclaimed any interest in them. Registrant’s failure to respond to the Government’s offer itself constitutes a waiver of any claim to title to the drugs. Thus, there is no need to issue a decision on the merits to adjudicate the issue of title to the drugs.

To the extent the issuance of the Immediate Suspension has harmed Registrant’s reputation and may result in his having to report this action on future applications for a DEA registration or a state license, Registrant was provided with the opportunity to request a hearing and challenge the basis of the Government’s action. Registrant did not, however, seek to do so. *See Richard C. Quigley*, 79 FR 50945, 50947 (2014) (rejecting Government’s contention that ISO case was not moot because of potential harm to physician’s reputation when physician did not request a hearing).

It is acknowledged that several federal appeals courts have held that “‘the mere possibility of adverse collateral consequences is sufficient to preclude a finding of mootness.’” *In re Surrick*, 338 F.3d 224, 230 (3d Cir. 2003) (quoting *Dailey v. Vought Aircraft Co.*, 141 F.3d 224, 228 (5th Cir. 1998)). But in those cases, which involved sanctions imposed by courts on attorneys, the person who was sanctioned at least cared enough to litigate. Not so here. So too, this case stands in contrast to those cases where the Agency has ruled on the validity of a suspension order notwithstanding that a registrant allowed his/her registration to expire and failed to file a renewal application. *See Lockridge*, 71 FR at 77797 (holding case not moot where registrant subject to ISO did not allow registration to expire until after receiving adverse recommended decision from ALJ); *see also Nirmal Saran & Nisha Saran*, 73 FR 7827, 7835

n.29 (2008) (holding case not moot where during proceeding, registrants' registrations expired but registrants asserted that they intended to remain in professional practice and had attempted to renew their registrations online but been prevented from doing so). Accordingly, I conclude that this case is moot. *See Tin T. Win*, 78 FR 52802 (2013) (holding ISO proceeding moot where physician, who allowed her registration to expire, failed to request a hearing and no controlled substances had been seized); *Robert Charles Ley*, 76 FR 20033 (2011) (holding ISO proceeding moot where physician eventually waived his right to a hearing and no controlled substances had been seized).

ORDER

Pursuant to the authority vested in me by 21 U.S.C. § 824(a), as well as 28 CFR 0.100(b) and 0.104, I order that the Order to Show Cause and Immediate Suspension of Registration issued to Martin L. Korn, M.D., be, and it hereby is, dismissed. This Order is effective immediately.

Dated: October 23, 2014.

Thomas M. Harrigan,
Deputy Administrator.